10 November 1953

Approval of Minutes (IAC-M-127, 3 November)

1. Action: Approved.

Probable Developments in Iran Through 1954 (NIE-102)

2. Action: Approved as amended.

Probable Consequences in
Non-Communist Asia of
Certain Possible Developments
in Indochina before Mid-1954 (SE-52)

3. Action: Approved as amended.

Progress Report (IAC-PR-35)

4. Action: Noted.

## Situation in Italy

5. Discussion: The Director informed the Committee that a report received during the week-end had caused CIA to produce an uncoordinated paper ("The Short-Term Political Outlook in Italy," 9 November). He circulated this paper at the meeting, and requested (a) Mr. Armstrong to bring it to the attention of the Secretary and Under Secretary of State, and (b) any agency to give him informal comments prior to Thursday's meeting of the NSC.

## Bureau of the Budget's Concern about Budgets for Intelligence

6. Action: Agreed that representatives of the Bureau of the Budget should be invited to attend the next IAC meeting and discuss procedures to satisfy the Bureau's concern about the interrelationship of intelligence budgets.

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7. Discussion: The Director reported that he and General Cabell had been approached by Messrs. Macy and Perry of the Bureau, who are concerned that the Bureau is not doing an adequate job of screening the intelligence budget. The Bureau feels a need for such expert guidance as would enable it to evolve an intelligent picture of just what constitutes intelligence and how much should be spent by the various agencies for specific intelligence functions. The Director stated he had made it clear that he had reservations as to just how to go about such a process, but that there might be benefit in having the Bureau representatives discuss the matter with the IAC members as a group.

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